# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:3715
ANSWERED ON:27.04.2007
INCREASE IN TAX REVENUE VIS-A- VIS INCREASE IN TRADE AND INDUSTRY
Chavda Shri Harisinh Pratapsinh;Patel Shri Jivabhai Ambalal;Renge Patil Shri Tukaram Ganpatrao;Singh Deo Smt. Sangeeta Kumari

**Will the Minister of FINANCE be pleased to state:**

(a) the details of fiscal and other incentives provided to traders and industrialists in the country;

(b) whether the increase in income tax revenues in the country is not in keeping with the increase in trade and industry of the country;

(c) if so, the reaction of the Government in this regard;

(d) whether the Government has conducted any survey in this regard; and

(e) if so, the details thereof alongwith the steps taken by the Government in this regard?

## Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): Under the Income-tax Act, 1961, various tax concessions in the nature of income-tax exemptions, deductions, accelerated depreciation, etc., are available to traders and industrialists in respect of income from business. These concessions are aimed at meeting certain objectives like regional development, industrial development, infrastructural development, export promotion, etc.

(b) to (e): According to the latest data compiled by the National Account Division, Ministry of Statistics and Programme Implementation for 2005-2006, the manufacturing industry grew at a rate of 14.6% and trade grew at a rate of 16.3% during the said period. As against the same, the percentage growth in direct tax collections in 2005-2006 was to the extent of 24.43%. The Government had not conducted any specific survey in this regard.